

House Study Bill 628

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
TRANSPORTATION BILL BY
CHAIRPERSON HUSER)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to and increasing motor vehicle and trailer
2 registration fees and title fees, allocating new revenues from
3 fees to the TIME=21 fund, and providing effective dates.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 5811YC 82
6 dea/nh/24

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1 1 DIVISION I
1 2 MOTOR VEHICLES
1 3 Section 1. Section 312.2, Code Supplement 2007, is amended
1 4 by adding the following new subsection:
1 5 NEW SUBSECTION. 19. a. The treasurer of state, before
1 6 making the allotments provided for in this section, shall
1 7 credit annually to the TIME=21 fund created in section 312A.2,
1 8 the revenue accruing to the road use tax fund from motor
1 9 vehicle registration fees for passenger cars, multipurpose
1 10 vehicles, and motor trucks in excess of three hundred
1 11 forty=six million dollars annually.
1 12 b. This subsection is repealed June 30, 2028.
1 13 Sec. 2. Section 321.1, Code 2007, is amended by adding the
1 14 following new subsection:
1 15 NEW SUBSECTION. 7A. "Business=trade truck" means a motor
1 16 truck with an unladen weight of ten thousand pounds or less
1 17 that is any of the following:
1 18 a. Owned, leased, or used by a person who files a schedule
1 19 C or schedule F form with the federal internal revenue
1 20 service.
1 21 b. Eligible for depreciation under 26 U.S.C. } 167.
1 22 c. Owned, leased, or used by a person engaged in a
1 23 business or trade and regularly used to haul supplies, trade
1 24 tools, equipment, merchandise, or freight for that business or
1 25 trade.
1 26 d. Owned, leased, or used by a person who is engaged in
1 27 the production of farm products, including but not limited to
1 28 crops, energy, livestock, or poultry, equal in value to more
1 29 than one thousand dollars annually.
1 30 Sec. 3. Section 321.109, subsection 1, paragraph a, Code
1 31 2007, is amended to read as follows:
1 32 a. The annual fee for all motor vehicles including
1 33 vehicles designated by manufacturers as station wagons, ~~and~~
1 34 1993 and subsequent model ~~years for year~~ multipurpose
1 35 ~~vehicles, and 2010 and subsequent model year motor trucks with~~
2 1 ~~an unladen weight of ten thousand pounds or less, except motor~~
2 2 ~~trucks registered under section 321.122, business=trade~~
2 3 ~~trucks, special trucks, motor homes, ambulances, hearses,~~
2 4 ~~motorcycles, motorized bicycles, and 1992 and older model~~
2 5 ~~years for year~~ multipurpose vehicles, shall be equal to one
2 6 percent of the value as fixed by the department plus forty
2 7 cents for each one hundred pounds or fraction thereof of
2 8 weight of vehicle, as fixed by the department. The weight of
2 9 a motor vehicle, fixed by the department for registration
2 10 purposes, shall include the weight of a battery, heater,
2 11 bumpers, spare tire, and wheel. Provided, however, that for
2 12 any new vehicle purchased in this state by a nonresident for
2 13 removal to the nonresident's state of residence the purchaser
2 14 may make application to the county treasurer in the county of
2 15 purchase for a transit plate for which a fee of ten dollars
2 16 shall be paid. And provided, however, that for any used
2 17 vehicle held by a registered dealer and not currently

2 18 registered in this state, or for any vehicle held by an
2 19 individual and currently registered in this state, when
2 20 purchased in this state by a nonresident for removal to the
2 21 nonresident's state of residence, the purchaser may make
2 22 application to the county treasurer in the county of purchase
2 23 for a transit plate for which a fee of three dollars shall be
2 24 paid. The county treasurer shall issue a nontransferable
2 25 certificate of registration for which no refund shall be
2 26 allowed; and the transit plates shall be void thirty days
2 27 after issuance. Such purchaser may apply for a certificate of
2 28 title by surrendering the manufacturer's or importer's
2 29 certificate or certificate of title, duly assigned as provided
2 30 in this chapter. In this event, the treasurer in the county
2 31 of purchase shall, when satisfied with the genuineness and
2 32 regularity of the application, and upon payment of a fee of
2 33 ten dollars, issue a certificate of title in the name and
2 34 address of the nonresident purchaser delivering the title to
2 35 the owner. If there is a security interest noted on the
3 1 title, the county treasurer shall mail to the secured party an
3 2 acknowledgment of the notation of the security interest. The
3 3 county treasurer shall not release a security interest that
3 4 has been noted on a title issued to a nonresident purchaser as
3 5 provided in this paragraph. The application requirements of
3 6 section 321.20 apply to a title issued as provided in this
3 7 subsection, except that a natural person who applies for a
3 8 certificate of title shall provide either the person's social
3 9 security number, passport number, or driver's license number,
3 10 whether the license was issued by this state, another state,
3 11 or another country. The provisions of this subsection
3 12 relating to multipurpose vehicles are effective ~~January 1,~~
~~3 13 1993,~~ for all 1993 and subsequent model years. The annual
3 14 registration fee for multipurpose vehicles that are 1992 model
3 15 years and older shall be in accordance with section 321.124.

3 16 Sec. 4. Section 321.113, Code 2007, is amended to read as
3 17 follows:

3 18 321.113 AUTOMATIC REDUCTION.

3 19 1. The annual registration fee for a motor vehicle shall
3 20 not be automatically reduced under this section unless the
3 21 ~~registration~~ fee is based on the value and weight of the motor
3 22 vehicle as provided in section 321.109, subsection 1.

3 23 2. If a motor vehicle is more than ~~five seven~~ model years
3 24 old, the part of the registration fee that is based on the
3 25 value of the vehicle shall be seventy-five percent of the rate
3 26 as fixed when the motor vehicle was new and the total fee
3 27 shall not be less than seventy-five dollars; except that if
3 28 the vehicle has been titled in the same person's name since
3 29 the vehicle was new or the title to the vehicle was
3 30 transferred prior to January 1, 2009, the registration fee
3 31 shall not be more than the fee paid for the previous
3 32 registration year.

3 33 3. If a motor vehicle is more than ~~six nine~~ model years
3 34 old, the part of the registration fee that is based on the
3 35 value of the vehicle shall be fifty percent of the rate as
4 1 fixed when the motor vehicle was new and the total fee shall
4 2 not be less than seventy-five dollars; except that if the
4 3 vehicle has been titled in the same person's name since the
4 4 vehicle was new or the title to the vehicle was transferred
4 5 prior to January 1, 2009, the registration fee shall not be
4 6 more than the fee paid for the previous registration year.

~~4 7 4. If a 1994 model year or newer motor vehicle is nine~~
~~4 8 model years old or older the registration fee is thirty-five~~
~~4 9 dollars. For purposes of determining the portion of the~~
~~4 10 registration fee under this subsection that is based upon the~~
~~4 11 value of the motor vehicle, sixty percent of the registration~~
~~4 12 fee is attributable to the value of the vehicle.~~

4 13 5. a. If a 1993 model year or older motor vehicle has
~~4 14 been titled in the same person's name since the vehicle was~~
~~4 15 new or the title to the vehicle was transferred prior to~~
~~4 16 January 1, 2002, the part of the registration fee that is~~
~~4 17 based on the value of the vehicle shall be ten percent of the~~
~~4 18 rate as fixed when the motor vehicle was new.~~

~~4 19 b. If the title of a 1993 model year or older motor~~
~~4 20 vehicle is transferred to a new owner or if such a motor~~
~~4 21 vehicle is brought into the state on or after January 1, 2002,~~
~~4 22 the registration fee shall not be based on the weight and list~~
~~4 23 price of the motor vehicle, but shall be as follows:~~

4 24 (1) For a motor vehicle that is model year
4 25 1969 or older:..... \$ 16.00

4 26 (2) For a motor vehicle that is model year
4 27 1970 through 1989:..... \$ 23.00

4 28 (3) For a motor vehicle that is model year

4 29 1990 through 1993:..... \$ 27.00
 4 30 For purposes of determining the portion of the registration
 4 31 fee under this paragraph "b" that is based upon the value of
 4 32 the motor vehicle, sixty percent of the registration fee is
 4 33 attributable to the value of the vehicle.
 4 34 4. If a motor vehicle is twelve model years old or older,
 4 35 the registration fee is seventy-five dollars; except that if
 5 1 the vehicle has been titled in the same person's name since
 5 2 the vehicle was new or the title to the vehicle was
 5 3 transferred prior to January 1, 2009, the registration fee
 5 4 shall not be more than the fee paid for the previous
 5 5 registration year. For purposes of determining the portion of
 5 6 a registration fee under this subsection that is based upon
 5 7 the value of the motor vehicle, sixty percent of the
 5 8 registration fee is attributable to the value of the vehicle.

5 9 Sec. 5. NEW SECTION. 321.120 BUSINESS=TRADE TRUCKS.
 5 10 1. The annual registration fee for a business=trade truck
 5 11 shall be determined pursuant to section 321.122, subsection 1,
 5 12 paragraph "a" or "b".

5 13 2. Upon application for a new registration or a renewal,
 5 14 an owner who registers a motor vehicle as a business=trade
 5 15 truck shall be required to provide proof or certify by signed
 5 16 affidavit that the vehicle meets the definition of a
 5 17 business=trade truck. The department may adopt rules as
 5 18 necessary to prescribe the documentation required as proof or
 5 19 certification under this subsection.

5 20 3. If the department determines by audit or other means
 5 21 that a person has registered a vehicle as a business=trade
 5 22 truck that is not qualified for such registration, the person
 5 23 may be required to pay regular registration fees applicable to
 5 24 the vehicle under section 321.109 or 321.113, in addition to
 5 25 any other penalty or sanction imposed by law.

5 26 Sec. 6. Section 321.121, Code 2007, is amended to read as
 5 27 follows:

5 28 321.121 SPECIAL TRUCKS FOR FARM USE.
 5 29 1. a. Except as provided in paragraph "b", the annual
 5 30 registration fee for a special truck with a gross weight of
 5 31 six tons shall be one hundred dollars, and the annual
 5 32 registration fee for a special truck with a gross weight
 5 33 exceeding six tons but not exceeding eighteen tons shall be as
 5 34 follows:

	<u>For a gross</u>	<u>And not</u>	<u>The annual</u>
	<u>weight exceeding:</u>	<u>exceeding:</u>	<u>registration</u>
			<u>fee shall be:</u>
6 3	6 Tons	7 Tons	\$ 125
6 4	7 Tons	8 Tons	\$ 155
6 5	8 Tons	9 Tons	\$ 170
6 6	9 Tons	10 Tons	\$ 190
6 7	10 Tons	11 Tons	\$ 205
6 8	11 Tons	12 Tons	\$ 225
6 9	12 Tons	13 Tons	\$ 245
6 10	13 Tons	14 Tons	\$ 265
6 11	14 Tons	15 Tons	\$ 280
6 12	15 Tons	16 Tons	\$ 295
6 13	16 Tons	17 Tons	\$ 305
6 14	17 Tons	18 Tons	\$ 315

6 15 b. ~~The~~ If a special truck has been titled in the same
 6 16 person's name since the vehicle was new or the title to the
 6 17 vehicle was transferred prior to January 1, 2009, the
 6 18 registration fee for a special truck shall be eighty dollars
 6 19 for a gross weight of six tons, one hundred dollars for a
 6 20 gross weight of seven tons, one hundred twenty dollars for a
 6 21 gross weight of eight tons, and in addition, fifteen dollars
 6 22 for each ton over eight tons and not exceeding eighteen tons.

6 23 c. The registration fee for a special truck with a gross
 6 24 weight registration exceeding eighteen tons but not exceeding
 6 25 nineteen tons shall be three hundred twenty-five dollars and
 6 26 for a gross weight registration exceeding nineteen tons but
 6 27 not exceeding twenty tons the registration fee shall be three
 6 28 hundred seventy-five dollars.

6 29 d. The additional registration fee for a special truck for
 6 30 a gross weight registration in excess of twenty tons is
 6 31 twenty-five dollars for each ton over twenty tons and not
 6 32 exceeding thirty-two tons.

6 33 2. A person convicted of or found by audit to be using a
 6 34 motor vehicle registered as a special truck for any purpose
 6 35 other than permitted by section 321.1, subsection 76, shall,
 7 1 in addition to any other penalty imposed by law, be required
 7 2 to pay regular motor vehicle registration fees upon such motor
 7 3 vehicle.

7 4 3. When a person at the point of delivery of commodities

9 16 39 Tons 40 Tons \$1,695

9 17 b. For a combined gross weight of eight tons or less, if
9 18 the motor vehicle has been titled in the same person's name
9 19 since the motor vehicle was new or the title to the motor
9 20 vehicle was transferred prior to January 1, 2009, the
9 21 following applies:

9 22 (1) For a combined gross weight of three tons or less, the
9 23 annual registration fee shall be the same as the fee paid by
9 24 the owner of the motor vehicle for the previous registration
9 25 year, which shall be sixty-five dollars or less.

9 26 (2) For a combined gross weight exceeding three tons but
9 27 not exceeding eight tons, the annual registration fee shall be
9 28 as set forth in the following schedule:

9 29 <u>For a combined</u>	<u>And not</u>	<u>The annual</u>
9 30 <u>gross weight</u>	<u>exceeding:</u>	<u>registration</u>
9 31 <u>exceeding:</u>		<u>fee shall be:</u>
9 32 <u>3 Tons</u>	<u>4 Tons</u>	<u>\$ 80</u>
9 33 <u>4 Tons</u>	<u>5 Tons</u>	<u>\$ 90</u>
9 34 <u>5 Tons</u>	<u>6 Tons</u>	<u>\$ 105</u>
9 35 <u>6 Tons</u>	<u>7 Tons</u>	<u>\$ 130</u>
10 1 <u>7 Tons</u>	<u>8 Tons</u>	<u>\$ 165</u>

10 2 c. For a combined gross weight exceeding forty tons, the
10 3 annual registration fee shall be one thousand six hundred
10 4 ninety-five dollars plus eighty dollars for each ton over
10 5 forty tons.

10 6 Sec. 8. EFFECTIVE DATE AND APPLICABILITY. This division
10 7 of this Act takes effect January 1, 2009, and applies to
10 8 vehicles registered for registration years beginning in 2009
10 9 and subsequent years.

10 10 DIVISION II
10 11 TITLE FEES

10 12 Sec. 9. Section 312.2, Code Supplement 2007, is amended by
10 13 adding the following new subsection:

10 14 NEW SUBSECTION. 20. a. The treasurer of state, before
10 15 making the allotments provided for in this section, shall
10 16 credit monthly to the TIME=21 fund created in section 312A.2,
10 17 an amount equal to ten dollars from each fee for issuance of a
10 18 certificate of title collected pursuant to sections 321.20;
10 19 321.20A; 321.23; 321.42; 321.46, other than a title issued for
10 20 a return vehicle under section 322G.12; section 321.47; and
10 21 section 321.109 and an amount equal to eight dollars for each
10 22 fee for issuance of a salvage certificate of title collected
10 23 pursuant to section 321.52.

10 24 b. This subsection is repealed June 30, 2028.

10 25 Sec. 10. Section 321.20, subsection 1, unnumbered
10 26 paragraph 1, Code 2007, is amended to read as follows:

10 27 Except as provided in this chapter, an owner of a vehicle
10 28 subject to registration shall make application to the county
10 29 treasurer of the county of the owner's residence, or if a
10 30 nonresident, to the county treasurer of the county where the
10 31 primary users of the vehicle are located, or if a lessor of
10 32 the vehicle pursuant to chapter 321F which vehicle has a gross
10 33 vehicle weight of less than ten thousand pounds, to the county
10 34 treasurer of the county of the lessee's residence, or if a
10 35 firm, association, or corporation with vehicles in multiple
11 1 counties, the owner may make application to the county
11 2 treasurer of the county where the primary user of the vehicle
11 3 is located, for the registration and issuance of a certificate
11 4 of title for the vehicle upon the appropriate form furnished
11 5 by the department. However, upon the transfer of ownership,
11 6 the owner of a vehicle subject to the proportional
11 7 registration provisions of chapter 326 shall make application
11 8 for registration and issuance of a certificate of title to
11 9 either the department or the appropriate county treasurer.
11 10 The application shall be accompanied by a fee of ~~ten~~ twenty
11 11 dollars, and shall bear the owner's signature. A nonresident
11 12 owner of two or more vehicles subject to registration may make
11 13 application for registration and issuance of a certificate of
11 14 title for all vehicles subject to registration to the county
11 15 treasurer of the county where the primary user of any of the
11 16 vehicles is located. The owner of a mobile home or
11 17 manufactured home shall make application for a certificate of
11 18 title under this section from the county treasurer of the
11 19 county where the mobile home or manufactured home is located.
11 20 The application shall contain:

11 21 Sec. 11. Section 321.20A, subsection 1, Code 2007, is
11 22 amended to read as follows:

11 23 1. Notwithstanding other provisions of this chapter, the
11 24 owner of a commercial vehicle subject to the proportional
11 25 registration provisions of chapter 326 may make application to
11 26 the department or the appropriate county treasurer for a

11 27 certificate of title. The application for certificate of
11 28 title shall be made within thirty days of purchase or transfer
11 29 and shall be accompanied by a ~~ten~~ fifteen dollar title fee and
11 30 the appropriate use tax. The department or the county
11 31 treasurer shall deliver the certificate of title to the owner
11 32 if there is no security interest. If there is a security
11 33 interest, the title, when issued, shall be delivered to the
11 34 first secured party. Delivery may be made using electronic
11 35 means.

12 1 Sec. 12. Section 321.23, subsections 1 and 4, Code 2007,
12 2 are amended to read as follows:

12 3 1. If the vehicle to be registered is a specially
12 4 constructed, reconstructed, or foreign vehicle, such fact
12 5 shall be stated in the application. A fee of ~~ten~~ twenty
12 6 dollars shall be paid by the person making the application
12 7 upon issuance of a certificate of title by the county
12 8 treasurer. For a specially constructed or reconstructed motor
12 9 vehicle subject to registration, the application shall be
12 10 accompanied by a statement from the department authorizing the
12 11 motor vehicle to be titled and registered in this state. The
12 12 department shall cause a physical inspection to be made of all
12 13 specially constructed or reconstructed motor vehicles, upon
12 14 application for a certificate of title by the owner, to
12 15 determine whether the motor vehicle complies with the
12 16 definition of specially constructed motor vehicle or
12 17 reconstructed motor vehicle in this chapter and to determine
12 18 that the integral component parts are properly identified and
12 19 that the rightful ownership is established before issuing the
12 20 owner the authority to have the motor vehicle registered and
12 21 titled. The purpose of the physical inspection under this
12 22 section is not to determine whether the motor vehicle is in a
12 23 condition safe to operate. The owner of a specially
12 24 constructed or reconstructed vehicle shall apply for a
12 25 certificate of title and registration for the vehicle at the
12 26 county treasurer's office within thirty days of the
12 27 inspection. For a foreign vehicle which has been registered
12 28 outside this state, the owner shall surrender to the treasurer
12 29 all registration plates, registration cards, and certificates
12 30 of title, or if the vehicle to be registered is from a
12 31 nontitle state, the evidence of foreign registration and
12 32 ownership as may be prescribed by the department except as
12 33 provided in subsection 2.

12 34 4. A vehicle which does not meet the equipment
12 35 requirements of this chapter due to the particular use for
13 1 which it is designed or intended, may be registered by the
13 2 department upon payment of appropriate fees and after
13 3 inspection and certification by the department that the
13 4 vehicle is not in an unsafe condition. A person is not
13 5 required to have a certificate of title to register a vehicle
13 6 under this subsection. If the owner elects to have a
13 7 certificate of title issued for the vehicle, a fee of ~~ten~~
13 8 twenty dollars shall be paid by the person making the
13 9 application upon issuance of a certificate of title. If the
13 10 department's inspection reveals that the vehicle may be safely
13 11 operated only under certain conditions or on certain types of
13 12 roadways, the department may restrict the registration to
13 13 limit operation of the vehicle to the appropriate conditions
13 14 or roadways. This subsection does not apply to snowmobiles as
13 15 defined in section 321G.1. Section 321.382 does not apply to
13 16 a vehicle registered under this subsection which is operated
13 17 exclusively by a person with a disability who has obtained a
13 18 persons with disabilities parking permit as provided in
13 19 section 321L.2, if the persons with disabilities parking
13 20 permit is carried in or on the vehicle and shown to a peace
13 21 officer on request.

13 22 Sec. 13. Section 321.42, subsection 2, paragraph a, Code
13 23 2007, is amended to read as follows:

13 24 a. If a certificate of title is lost or destroyed, the
13 25 owner or lienholder shall apply for a replacement copy of the
13 26 original certificate of title. The owner or lienholder of a
13 27 motor vehicle may also apply for a replacement copy of the
13 28 original certificate of title upon surrender of the original
13 29 certificate of title with the application. The application
13 30 shall be made to the department or county treasurer who issued
13 31 the original certificate of title. The application shall be
13 32 signed by the owner or lienholder and accompanied by a fee of
13 33 ~~ten~~ twenty dollars.

13 34 Sec. 14. Section 321.46, subsection 2, Code 2007, is
13 35 amended to read as follows:

14 1 2. Upon filing the application for a new registration and
14 2 a new title, the applicant shall pay a title fee of ~~ten~~ twenty

14 3 dollars and a registration fee prorated for the remaining
14 4 unexpired months of the registration year. A manufacturer
14 5 applying for a certificate of title pursuant to section
14 6 322G.12 shall pay a title fee of two dollars. However, a
14 7 title fee shall not be charged to a manufactured or mobile
14 8 home retailer applying for a certificate of title for a used
14 9 mobile home or manufactured home, titled in Iowa, as required
14 10 under section 321.45, subsection 4. The county treasurer, if
14 11 satisfied of the genuineness and regularity of the
14 12 application, and in the case of a mobile home or manufactured
14 13 home, that taxes are not owing under chapter 435, and that
14 14 applicant has complied with all the requirements of this
14 15 chapter, shall issue a new certificate of title and, except
14 16 for a mobile home, manufactured home, or a vehicle returned to
14 17 and accepted by a manufacturer as described in section
14 18 322G.12, a registration card to the purchaser or transferee,
14 19 shall cancel the prior registration for the vehicle, and shall
14 20 forward the necessary copies to the department on the date of
14 21 issuance, as prescribed in section 321.24. Mobile homes or
14 22 manufactured homes titled under chapter 448 that have been
14 23 subject under section 446.18 to a public bidder sale in a
14 24 county shall be titled in the county's name, with no fee, and
14 25 the county treasurer shall issue the title.

14 26 Sec. 15. Section 321.47, unnumbered paragraph 1, Code
14 27 2007, is amended to read as follows:

14 28 If ownership of a vehicle is transferred by operation of
14 29 law upon inheritance, devise or bequest, dissolution decree,
14 30 order in bankruptcy, insolvency, replevin, foreclosure or
14 31 execution sale, abandoned vehicle sale, or when the engine of
14 32 a motor vehicle is replaced by another engine, or a vehicle is
14 33 sold or transferred to satisfy an artisan's lien as provided
14 34 in chapter 577, a landlord's lien as provided in chapter 570,
14 35 a storage lien as provided in chapter 579, a judgment in an
15 1 action for abandonment of a manufactured or mobile home as
15 2 provided in chapter 555B, upon presentation of an affidavit
15 3 relating to the disposition of a valueless mobile, modular, or
15 4 manufactured home as provided in chapter 555C, or repossession
15 5 is had upon default in performance of the terms of a security
15 6 agreement, the county treasurer in the transferee's county of
15 7 residence or, in the case of a mobile home or manufactured
15 8 home, the county treasurer of the county where the mobile home
15 9 or manufactured home is located, upon the surrender of the
15 10 prior certificate of title or the manufacturer's or importer's
15 11 certificate, or when that is not possible, upon presentation
15 12 of satisfactory proof to the county treasurer of ownership and
15 13 right of possession to the vehicle and upon payment of a fee
15 14 of ~~ten~~ twenty dollars and the presentation of an application
15 15 for registration and certificate of title, may issue to the
15 16 applicant a registration card for the vehicle and a
15 17 certificate of title to the vehicle. A person entitled to
15 18 ownership of a vehicle under a decree of dissolution shall
15 19 surrender a reproduction of a certified copy of the
15 20 dissolution and upon fulfilling the other requirements of this
15 21 chapter is entitled to a certificate of title and registration
15 22 receipt issued in the person's name.

15 23 Sec. 16. Section 321.52, subsection 4, paragraph a, Code
15 24 Supplement 2007, is amended to read as follows:

15 25 a. A vehicle rebuilder or a person engaged in the business
15 26 of buying, selling, or exchanging vehicles of a type required
15 27 to be registered in this state, upon acquisition of a wrecked
15 28 or salvage vehicle, shall surrender the certificate of title
15 29 or manufacturer's or importer's statement of origin properly
15 30 assigned, together with an application for a salvage
15 31 certificate of title, to the county treasurer of the county of
15 32 residence of the purchaser or transferee within thirty days
15 33 after the date of assignment of the certificate of title for
15 34 the wrecked or salvage motor vehicle. This subsection applies
15 35 only to vehicles with a fair market value of five hundred
16 1 dollars or more, based on the value before the vehicle became
16 2 wrecked or salvage. Upon payment of a fee of ~~two~~ ten dollars,
16 3 the county treasurer shall issue a salvage certificate of
16 4 title which shall bear the word "SALVAGE" stamped or printed
16 5 on the face of the title in a manner prescribed by the
16 6 department. A salvage certificate of title may be assigned to
16 7 an educational institution, a new motor vehicle dealer
16 8 licensed under chapter 322, a person engaged in the business
16 9 of purchasing bodies, parts of bodies, frames or component
16 10 parts of vehicles for sale as scrap metal, a salvage pool, or
16 11 an authorized vehicle recycler licensed under chapter 321H.
16 12 An authorized vehicle recycler licensed under chapter 321H or
16 13 a new motor vehicle dealer licensed under chapter 322 may

16 14 assign or reassign an Iowa salvage certificate of title or a
16 15 salvage certificate of title from another state to any person,
16 16 and the provisions of section 321.24, subsection 5, requiring
16 17 issuance of an Iowa salvage certificate of title shall not
16 18 apply. A vehicle on which ownership has transferred to an
16 19 insurer of the vehicle as a result of a settlement with the
16 20 owner of the vehicle arising out of damage to, or unrecovered
16 21 theft of, the vehicle shall be deemed to be a wrecked or
16 22 salvage vehicle and the insurer shall comply with this
16 23 subsection to obtain a salvage certificate of title within
16 24 thirty days after the date of assignment of the certificate of
16 25 title of the vehicle.

16 26 Sec. 17. Section 321.109, subsection 1, paragraph a, Code
16 27 2007, is amended to read as follows:

16 28 a. The annual fee for all motor vehicles including
16 29 vehicles designated by manufacturers as station wagons, and
16 30 1993 and subsequent model years for multipurpose vehicles,
16 31 except motor trucks, motor homes, ambulances, hearses,
16 32 motorcycles, motorized bicycles, and 1992 and older model
16 33 years for multipurpose vehicles, shall be equal to one percent
16 34 of the value as fixed by the department plus forty cents for
16 35 each one hundred pounds or fraction thereof of weight of
17 1 vehicle, as fixed by the department. The weight of a motor
17 2 vehicle, fixed by the department for registration purposes,
17 3 shall include the weight of a battery, heater, bumpers, spare
17 4 tire, and wheel. Provided, however, that for any new vehicle
17 5 purchased in this state by a nonresident for removal to the
17 6 nonresident's state of residence the purchaser may make
17 7 application to the county treasurer in the county of purchase
17 8 for a transit plate for which a fee of ten dollars shall be
17 9 paid. And provided, however, that for any used vehicle held
17 10 by a registered dealer and not currently registered in this
17 11 state, or for any vehicle held by an individual and currently
17 12 registered in this state, when purchased in this state by a
17 13 nonresident for removal to the nonresident's state of
17 14 residence, the purchaser may make application to the county
17 15 treasurer in the county of purchase for a transit plate for
17 16 which a fee of three dollars shall be paid. The county
17 17 treasurer shall issue a nontransferable certificate of
17 18 registration for which no refund shall be allowed; and the
17 19 transit plates shall be void thirty days after issuance. Such
17 20 purchaser may apply for a certificate of title by surrendering
17 21 the manufacturer's or importer's certificate or certificate of
17 22 title, duly assigned as provided in this chapter. In this
17 23 event, the treasurer in the county of purchase shall, when
17 24 satisfied with the genuineness and regularity of the
17 25 application, and upon payment of a fee of ~~ten~~ twenty dollars,
17 26 issue a certificate of title in the name and address of the
17 27 nonresident purchaser delivering the title to the owner. If
17 28 there is a security interest noted on the title, the county
17 29 treasurer shall mail to the secured party an acknowledgment of
17 30 the notation of the security interest. The county treasurer
17 31 shall not release a security interest that has been noted on a
17 32 title issued to a nonresident purchaser as provided in this
17 33 paragraph. The application requirements of section 321.20
17 34 apply to a title issued as provided in this subsection, except
17 35 that a natural person who applies for a certificate of title
18 1 shall provide either the person's social security number,
18 2 passport number, or driver's license number, whether the
18 3 license was issued by this state, another state, or another
18 4 country. The provisions of this subsection relating to
18 5 multipurpose vehicles are effective January 1, 1993, for all
18 6 1993 and subsequent model years. The annual registration fee
18 7 for multipurpose vehicles that are 1992 model years and older
18 8 shall be in accordance with section 321.124.

18 9 DIVISION III

18 10 TRAILER REGISTRATION FEES

18 11 Sec. 18. Section 312.2, Code Supplement 2007, is amended
18 12 by adding the following new subsection:

18 13 NEW SUBSECTION. 21. a. The treasurer of state, before
18 14 making the allotments provided for in this section, shall
18 15 credit monthly to the TIME=21 fund created in section 312A.2
18 16 an amount equal to ten dollars from each trailer registration
18 17 fee collected pursuant to section 321.123, subsection 1,
18 18 paragraph "a", subparagraph (1), twenty dollars from each
18 19 trailer registration fee collected pursuant to section
18 20 321.123, subsection 1, paragraph "a", subparagraph (2), and
18 21 one-third of the amount collected from trailer registration
18 22 fees pursuant to section 321.123, subsection 2.

18 23 b. This subsection is repealed June 30, 2028.

18 24 Sec. 19. Section 321.122, subsection 2, Code 2007, is

18 25 amended by striking the subsection.
18 26 Sec. 20. Section 321.123, Code 2007, is amended to read as
18 27 follows:
18 28 321.123 TRAILERS.
18 29 1. a. All trailers except farm trailers, mobile homes,
18 30 and manufactured homes, unless otherwise provided in this
18 31 section, are subject to a registration fee ~~of ten dollars.~~ as
18 32 follows:

18 33 (1) For trailers with an empty weight of two thousand
18 34 pounds or less, the annual registration fee is twenty dollars.

18 35 (2) For trailers with an empty weight in excess of two
19 1 thousand pounds, the annual registration fee is thirty
19 2 dollars.

19 3 b. Trailers for which the empty weight is two thousand
19 4 pounds or less are exempt from the certificate of title and
19 5 lien provisions of this chapter.

19 6 c. For trailers and semitrailers licensed under chapter
19 7 326, the annual registration fee for the permanent
19 8 registration plate shall be the applicable fee under paragraph
19 9 "a". The registration fees for a permanent registration
19 10 plate, at the option of the registrant, shall be remitted to
19 11 the department at five-year intervals or on an annual basis.

19 12 Fees collected under this section shall not be reduced or
19 13 prorated under chapter 326.

19 14 ~~1-~~ 2. a. Travel trailers and fifth-wheel travel trailers,
19 15 except those in manufacturer's or dealer's stock, shall be
19 16 subject to an annual fee of ~~twenty~~ thirty cents per square
19 17 foot of floor space computed on the exterior overall
19 18 measurements, but excluding three feet occupied by any trailer
19 19 hitch as provided by and certified to by the owner, to the
19 20 nearest whole dollar. When a travel trailer or fifth-wheel
19 21 travel trailer is registered in Iowa for the first time or
19 22 when title is transferred, the annual fee shall be prorated on
19 23 a monthly basis. The annual fee shall be reduced to
19 24 seventy-five percent of the full fee after the vehicle is more
19 25 than six model years old.

19 26 b. A travel trailer may be stored under section 321.134,
19 27 provided the travel trailer is not used for human habitation
19 28 for any period during storage and is not moved upon the
19 29 highways of the state. A travel trailer stored under section
19 30 321.134 is not subject to a manufactured or mobile home tax
19 31 assessed under chapter 435.

19 32 ~~2-~~ 3. Motor trucks or truck tractors pulling trailers or
19 33 semitrailers shall be registered for the combined gross weight
19 34 of the motor truck or truck tractor and trailer or
19 35 semitrailer, except that:

20 1 a. Motor trucks registered for six tons or less not used
20 2 for hire, pulling trailers or semitrailers used by a person
20 3 engaged in farming to transport commodities produced by the
20 4 owner, or to transport commodities or livestock purchased by
20 5 the owner for use in the owner's own farming operation or used
20 6 by any person to transport horses shall not be subject to
20 7 registration for the gross weight of such trailer or
20 8 semitrailer provided the combined gross weight does not exceed
20 9 twelve tons, plus the tolerance provided for in section
20 10 321.466.

20 11 b. Motor trucks registered for six tons or less not used
20 12 for hire, pulling trailers or semitrailers used by a person in
20 13 the person's own operations shall not be subject to
20 14 registration for the gross weight of such trailer or
20 15 semitrailer provided the combined gross weight does not exceed
20 16 eight tons, plus the tolerance provided for in section
20 17 321.466.

20 18 Sec. 21. EFFECTIVE DATE AND APPLICABILITY. This division
20 19 of this Act takes effect January 1, 2009, and applies to
20 20 trailers registered for registration years beginning in 2009
20 21 and subsequent years.

EXPLANATION

20 23 This bill increases registration fees charged for certain
20 24 motor vehicles, fees charged for certificates of title, and
20 25 trailer registration fees and appropriates the additional
20 26 revenues to the transportation investment moves the economy in
20 27 the twenty-first century (TIME=21) fund.

20 28 DIVISION I == MOTOR VEHICLES. The bill requires the
20 29 treasurer of state, prior to distributing moneys under the
20 30 road use tax fund formula, to credit to the TIME=21 fund the
20 31 amount collected from motor vehicle registration fees that is
20 32 in excess of \$346 million annually. The provision crediting
20 33 revenues to the TIME=21 fund is repealed, and the revenues
20 34 will revert to the road use tax fund, on June 30, 2028.
20 35 Pursuant to current law, the TIME=21 fund is scheduled to be

21 1 dissolved on that date.

21 2 The bill requires that most 2010 and newer model year motor
21 3 trucks with an unladen weight of 10,000 pounds or less be
21 4 registered for a fee based on the weight and value of the
21 5 vehicle. Currently, such trucks are registered for a flat fee
21 6 based on combined gross weight. Under the bill,
21 7 business=trade trucks will continue to be registered for a
21 8 flat fee. The bill defines "business=trade truck" as a motor
21 9 truck with an unladen weight of 10,000 pounds or less that is
21 10 owned, leased, or used by a person who files a schedule C or
21 11 schedule F form for federal tax purposes, that is eligible for
21 12 depreciation for federal tax purposes, or that is owned,
21 13 leased, or used by a person engaged in a business or trade and
21 14 regularly used for hauling certain items for that business or
21 15 trade or owned, leased, or used by a person engaged in the
21 16 production of farm products with a value of at least \$1,000
21 17 annually. A person who registers a vehicle as a
21 18 business=trade truck shall be required to provide proof or
21 19 certify by signed affidavit that the vehicle meets the
21 20 qualifications for such registration.

21 21 Passenger vehicles are registered for a fee that is based
21 22 on the weight and value of the vehicle: 1 percent of the
21 23 vehicle's value plus 40 cents for each 100 pounds of weight of
21 24 the vehicle. Currently, the amount of the fee that is based
21 25 on value is reduced to 75 percent of the rate as fixed when
21 26 the vehicle was new if the vehicle is more than five model
21 27 years old and 50 percent if the vehicle is more than six model
21 28 years old. When the vehicle is nine model years old or older,
21 29 the registration fee drops to \$35. In addition, certain older
21 30 vehicles that fall under prior fee schedules pay more modest
21 31 fees of \$16, \$23, or \$27. The bill provides an expanded
21 32 schedule for fee reductions as follows: When the vehicle is
21 33 more than seven model years old, the amount of the fee based
21 34 on value is 75 percent of the rate as fixed when the vehicle
21 35 was new; when the vehicle is more than nine model years old,
22 1 that amount is 50 percent; when the vehicle is 12 model years
22 2 old or older, the fee drops to \$75. However, under the bill,
22 3 if the registration fee under the new rate schedule is higher
22 4 than the owner paid for the same vehicle in the previous
22 5 registration year, the fee will be the fee from the previous
22 6 year. The owner of a vehicle currently paying a fee of less
22 7 than \$75 will continue to pay that fee for as long as they own
22 8 the vehicle.

22 9 Fees for special trucks for farm use, which are registered
22 10 for a gross weight of six tons through 32 tons, are increased
22 11 under the bill. For a gross weight of six tons, the fee is
22 12 increased from \$80 to \$100; for a gross weight of seven tons,
22 13 from \$100 to \$125; and for a gross weight of eight tons, from
22 14 \$120 to \$155. Fees for special trucks with a gross weight of
22 15 nine through 18 tons are established as follows: nine tons,
22 16 \$170; 10 tons, \$190; 11 tons, \$205; 12 tons, \$225; 13 tons,
22 17 \$245; 14 tons, \$265; 15 tons, \$280; 16 tons, \$295; 17 tons,
22 18 \$305; and 18 tons, \$315. The fees apply for vehicles
22 19 registered by a new owner for a 2009 or subsequent
22 20 registration year. Current owners will continue to pay
22 21 current fees for as long as they own their vehicles. The bill
22 22 requires that when a person at the point of delivery of
22 23 commodities weighs a vehicle registered as a special truck,
22 24 the person shall notify the driver of the vehicle if the
22 25 vehicle is in violation of legal weight limits and that a
22 26 penalty applies for the violation. The person is to record
22 27 the weight of the vehicle on a form providing the notice,
22 28 obtain the signature of the driver, give a copy of the form to
22 29 the driver, and forward a copy of the form to the department.
22 30 The person is prohibited from accepting delivery of the
22 31 commodities if the vehicle is overweight and the driver
22 32 refuses to sign the notice.

22 33 The bill also revises the flat fee schedule for motor
22 34 trucks registered for a combined gross weight, including
22 35 business=trade trucks. For a combined gross weight of three
23 1 tons or less, the fee is increased from \$65 to \$100.
23 2 Registration fees for a combined gross weight exceeding three
23 3 tons and up to eight tons are increased as follows: For more
23 4 than three tons but not more than four tons, the fee is
23 5 increased from \$80 to \$120; for more than four tons but not
23 6 more than five tons, from \$90 to \$135; for more than five tons
23 7 but not more than six tons, from \$105 to \$150; for more than
23 8 six tons but not more than seven tons, from \$130 to \$165; and
23 9 for more than seven tons but not more than eight tons, from
23 10 \$165 to \$175. The new fees apply for vehicles registered by a
23 11 new owner for a 2009 or subsequent registration year. Current

23 12 owners will continue to pay the fee they paid for the 2008
23 13 registration year for as long as they own the vehicle.
23 14 This division of the bill takes effect January 1, 2009, and
23 15 applies to vehicles registered for registration years
23 16 beginning in 2009 and thereafter.

23 17 DIVISION II == TITLE FEES. The bill increases the fee
23 18 charged for issuance of a certificate of title for a motor
23 19 vehicle or trailer from \$10 to \$20. The fee for a salvage
23 20 certificate of title is increased from \$2 to \$10.

23 21 The bill requires the treasurer of state, prior to
23 22 distributing moneys under the road use tax fund formula, to
23 23 credit monthly to the TIME=21 fund an amount equal to the
23 24 revenues attributable to the increase in title fees under the
23 25 bill. The provision crediting revenues to the TIME=21 fund is
23 26 repealed and new revenues will revert to the road use tax fund
23 27 on June 30, 2028. Pursuant to current law, the TIME=21 fund
23 28 is scheduled to be dissolved on that date.

23 29 DIVISION III == TRAILER REGISTRATION FEES. The bill
23 30 increases the fee charged for registration of trailers.
23 31 Currently, most trailers other than farm trailers and trailers
23 32 registered for the combined gross weight of the vehicle are
23 33 subject to a \$10 registration fee. The bill increases the fee
23 34 to \$20 for such trailers with an empty weight of 2,000 pounds
23 35 or less, and \$30 for such trailers with an empty weight in
24 1 excess of 2,000 pounds. The registration fee for travel
24 2 trailers and fifth-wheel travel trailers, which is based on
24 3 square footage, is increased from 20 cents to 30 cents per
24 4 square foot.

24 5 The bill requires the treasurer of state, prior to
24 6 distributing moneys under the road use tax fund formula, to
24 7 credit monthly to the TIME=21 fund an amount equal to the
24 8 revenues attributable to the increase in trailer registration
24 9 fees under the bill. The provision crediting revenues to the
24 10 TIME=21 fund is repealed and new revenues will revert to the
24 11 road use tax fund on June 30, 2028. Pursuant to current law,
24 12 the TIME=21 fund is scheduled to be dissolved on that date.

24 13 This division of the bill takes effect January 1, 2009, and
24 14 applies to trailers registered for registration years
24 15 beginning in 2009 and thereafter.

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